

## **The complaint**

Mrs S has complained PayPal UK Ltd won't refund £2,043.56 for transactions she didn't make.

## **What happened**

In August 2024 after getting a message from her bank that an authorised payment of £2,043.56 to her PayPal account would take her overdrawn, she queried what had happened with PayPal. She told them she didn't recognise the merchant that took these payments.

PayPal believed the same network and device that Mrs S used for other transactions were used for these so wouldn't refund her as they believed she'd made these transactions.

Upset with this outcome, Mrs S brought her complaint to our service.

Our investigator reviewed the evidence. This included emails Mrs S had received from the merchant. Although it was true that this transaction was more than those Mrs S normally made using her PayPal account, our investigator felt all the evidence indicated this was authorised.

Mrs S disagreed and has asked an ombudsman to consider her complaint.

## **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

It's worth stating that I can choose which weight to place on the different types of evidence I review, including technical evidence, provided by financial institutions along with complainants' persuasive testimony.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The regulations which are relevant to Mrs S's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves.

Having reviewed the evidence, I believe there is sufficient to show that Mrs S most likely authorised these payments. I say this because:

- PayPal's evidence shows Mrs S's device and IP address were used for the disputed transactions on 18 August 2024.
- Two days before Mrs S entered a competition online to win a car, with a company I'll call D. She agrees she made these transactions. I can see that these transactions required additional authentication with PayPal which Mrs S carried out. There were then the disputed transactions for tickets to win cash bonuses with a different-named company made on 18 August 2024. The evidence I've seen shows that this company is actually the same as D and uses the same merchant identification. I know Mrs S has wondered why these also didn't prompt additional authentication. I think this is because Mrs S had already confirmed to PayPal that she had a relationship with D, which is the same company as these later transactions.
- Mrs S has shared emails she received from this company on 18 August. This confirms numerous tickets being purchased for a total of £2,043.56. As these purchases are a form of gambling, one of the emails confirms Mrs S has spent more than £500 with them in the week and asking whether she wished to set monthly limits on her account.

Mrs S is adamant that she didn't make these transactions, but the evidence doesn't back her up. I appreciate her alarm that she may have mistakenly bought many more tickets than she intended but she'll need to take that up with the merchant involved. I know our investigator provided her with some contact details to help her do this.

Mrs S said she had more evidence to provide. This was back in January, and I've seen nothing further from her. I'm satisfied she's had enough time to provide us with any additional evidence.

I'm sure Mrs S will disagree with my outcome but I'm not in a position to ask PayPal to refund her as the evidence confirms she made these disputed transactions.

### **My final decision**

For the reasons given, my final decision is not to uphold Mrs S's complaint against PayPal UK Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 28 October 2025.

Sandra Quinn  
**Ombudsman**